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C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 001066

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SUBJECT: LEGISLATORS FACE SHAKE-OUT AS REFORMS KICK-IN

REF: TAIPEI 1040

Classified By: AIT Deputy Director Robert S. Wang, Reason 1.4 (b/d)

11. (C) Summary: In the upcoming Legislative Yuan (LY) elections, Taiwan will introduce a two-vote system -- one for district representative and one for party preference -- and new single member legislative districts. With this change, Taiwan abandons the previous multi-member districts and also halves the LY from 225 to 113 seats. The new system appears likely to favor candidates who have strong grassroots bases at the expense of those whose popularity stems mainly from media exposure. Over time, the reforms may accelerate marginalization of smaller political parties and increase the power of individual legislators, with incumbents having a definite advantage in future elections. End Summary.

Single-Member District Seats (73)

12. (SBU) Constitutional changes approved in 2005 will introduce single-member districts and a second party-preference ballot in the upcoming Legislative Yuan (LY) elections, which will be held in December 2007 or January 12008. Legislative terms will be lengthened from three to four years. Under this new system, modeled on Japan's 1994 electoral reforms, Taiwan abandons the previous multi-member districts and halves the LY from 225 to 113 seats. Of these 73 seats will be directly elected from single-member geographical electoral districts, each of which contains an average of 300,000 residents. Ten of Taiwan's 25 counties and cities will have just one representative each. By contrast, more populous counties and cities will have more than one district -- Taipei County 12, Taipei City 8, Kaohsiung City 5, and so forth. Because the reforms guarantee each of Taiwan's 25 county and cities at least one seat, the smallest district -- Matsu -- has as few as 10,000 residents while the population of some larger districts, such as Ilan county, exceeds 400,000.

At-Large Seats (34)

13. (SBU) The new LY will have 34 at-large seats, allocated to the political parties based on the percentage of votes they win in a second ballot voters will cast for their party

preference. A party must win at least 5 percent of the party preference vote to qualify for any at-large seats, which are filled with candidates from a ranked list generated by the party. The DPP Chairman selects one-third of the names on that party's list. The remaining two thirds are ranked according to a competitive primary process based on the combined results of a party member vote (weighted at 40 percent) and public opinion polls (60 percent). The KMT and the smaller parties select their party list candidates through committees or bodies directly controlled by the party leadership. The parties are required by law to evenly split their at-large seats between male and female representatives. The DPP held its party member vote for at-large candidates on May 6 and will conduct polls between May 11-18 to produce a final slate of candidates by late June. The KMT has established a nine-person committee to compile its list, which should be formalized by September.

14. (C) Central Election Commission (CEC) Director of Election Administration Yu Ming-hsien told AIT that political parties must meet one of three minimum criteria to be listed on the party preference ballot. Parties are required either to have 5 sitting legislators in the LY, to have received at least 3 percent of the general vote in the last election, or to field a minimum of 10 candidates in the LY district elections.

Reserved Aborigine Seats (6)

15. (C) The remaining 6 seats in the next LY will be allotted to Taiwan's aboriginal peoples, who comprise less than 2 percent of the total population of the island.

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"Mountain" and "plains" aborigines will each have three representatives elected from an island-wide constituency. The top three vote getters for each group will win the seats.

Toward Moderate Politics?

16. (C) Taiwan's previous system of multi-member legislative districts permitted some extremists to rely on media exposure to win election with just a small number of votes. Some observers expect that candidates competing in the new single-member districts will have to move toward the political mainstream to win the large number of votes needed in one-on-one contests. GVM Polling Director Tai Li-an, however, has suggested to AIT that candidates in heavily Blue or Green districts will focus on base voters and may not take moderate positions. The initial results of some LY primary races last week suggest the new system will favor candidates who, regardless of ideological views, have strong grassroots bases, at the expense of those whose popularity is based on media exposure and public performance in the LY (Reftel).

Some Other Long-term Ramifications

¶7. (C) CEC Director Yu predicted the reforms will accelerate marginalization of smaller political parties, increase the power of individual legislators, and give incumbents a definite advantage in future elections. Smaller parties fielding a limited field of candidates, Yu explained, will face difficulties meeting the 5 percent threshold required to win at-large seats. Legislators from smaller parties could survive on the margins of the old system but will find it difficult under the new system to compete against the stronger grassroots organizations of the DPP and KMT. Yu also said eliminating half of the legislators will increase the power of those remaining, enabling as few as 3-4 legislators in some LY committees to make major decisions on pending legislation. The combination of enhanced power and control of resources allocated by the LY to their districts will make it considerably more difficult to unseat incumbents

after 2008, Yu predicted.

Election Authorities Prepared For Changes

18. (C) Yu said he is confident the CEC will be able to organize smooth LY elections despite the changes. The CEC's biggest challenge will be voter education in the months preceding the elections. The CEC, which has 17 politically-appointed commissioners and 30 staffers in Taipei, supervises the work of 25 local county and city election commissions. On polling day, there will be over 14,000 polling stations island-wide, each with 10-12temporary election workers drawn from teachers, civil servants, and NGOs. Political parties can and do send observers to monitor ballot counting. After voting stations close and ballots are counted, tallies are submitted to local election commissions, which report to the CEC via the internet. The CEC then calculates the overall results, and both local and overall results are announced the evening of the election, within several hours of poll closing. The media regularly gets ahead of this process and sometimes reports inaccurate figures phoned in by local contacts, Yu added.

Comment

19. (C) For voters, the main change in the new system is that they will now have two votes, one for their district representative and one for their political party of choice. While the old system also included at-large or party list legislators, their election was based on the overall proportion of votes that the party won in the district contests. Despite this year's highly charged political campaigns and although vote buying remains a problem in some areas, Taiwan's experienced election authorities have a good record of conducting the election process fairly, and the electoral reforms should present no major difficulties.

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